IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

KATHLEEN BOWMAN, AARON KELLINGTON, KELLINGTON PROTECTION, LLC, and MAGNA SERVICE AGENCY, INC.	Electronically Filed Civil Action No.
Plaintiffs,	
v.	
TIMOTHY KING and CLEAR LAKE DEVELOPMENT COMPANY, LLC,	**JURY TRIAL DEMANDED**
Defendants.	

COMPLAINT

COMES NOW, Plaintiffs, Kathleen Bowman, Aaron Kellington, Kellington Protection, LLC and Magna Service Agency, Inc., by and through their counsel Anthony E. Patterson, Esquire and file the following Complaint against Timothy King and Clear Lake Development Company, LLC (hereinafter "Defendants") and in support thereof aver as follows:

Nature of Action

1. Plaintiffs file this civil action alleging Fraud and Breach of Contract based upon Defendant's fraudulent scheme to convert $40,000.00 from Plaintiffs based upon the misrepresentation from Defendant King that $80,000.00 would be repaid to Plaintiffs within 90 days.

Parties

2. Plaintiff, Kathleen Bowman is an adult individual residing in Allegheny County, Pennsylvania.

3. Plaintiff, Aaron Kellington is an adult individual residing in Allegheny County, Pennsylvania.

4. Plaintiff, Kellington Protection, LLC (hereinafter sometimes referred to as "KPS") is a Limited Liability Company organized and existing under the laws of the Commonwealth of Pennsylvania with a principal place of business located at 1100 Washington Avenue, Suite 206, Carnegie, PA 15106.

5. Aaron Kellington is the sole Manager and Member of KPS.

6. Plaintiff, Magna Service Agency, Inc. (hereinafter sometimes referred to as "Magna") is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with a principal place of business located at 292 East Market Street, Washington PA 15301.

7. Kathleen Bowman is the President and sole owner of Magna.

8. Defendant, Timothy King, is an adult individual residing at 328 Marquette Avenue, South Milwaukee, Wisconsin 53172.

9. Upon information and belief, Defendant, Clear Lake Development Company, LLC is a Limited Liability Company with a principal place of business at 930 Tahoe Blvd. Suite 802-293, Incline Village, NV 89451.

10. Upon information and belief, Timothy King is a Manager of Clear Lake Development Company, LLC.

Jurisdiction and Venue

11. The citizenship of the parties is diverse and the amount in controversy is in excess of $75,000.00 conferring upon this Court subject matter jurisdiction pursuant to 28 U.S.C. § 1332.

12. Venue is proper under 28 U.S.C. § 1391(b)(2) as a substantial part of the events giving rise to the instant claim occurred in the Western District of Pennsylvania, and under 28 U.S.C. § 1391(b)(3) as the Defendants are subject to personal jurisdiction in the Western District of Pennsylvania.

Facts:

13. In or about May of 2015, Defendant King approached Plaintiffs with an opportunity to double their money within ninety (90) days.

14. Defendant King represented to Plaintiffs' the following:

a. that he was part of a group that was purchasing a ski resort;

b. that the group was closing on a $59 million loan to purchase and refurbish the resort;

c. that a company known as ISIC Global was to provide a $59,000,000.00 (fifty-nine million) term loan in conjunction with the purchase and renovation of the resort;

d. that he needed $40,000 immediately to cover the closing costs for the loan; and

e. that if Plaintiff's loaned him $40,000, he would repay them the sum of $80,000 within ninety (90) days.

15. Plaintiffs relied on the representations of Defendant King and agreed to loan him the sum of $40,000.

16. The parties entered into a verbal agreement (hereinafter the "Agreement") whereby Plaintiffs would loan to Defendants the sum of $40,000.00 which Defendants would use to secure funding to purchase and refurbish a ski resort.

17. The Agreement provided that the original $40,000.00 and an additional $40,000.00, for a total of $80,000.00, would be remitted to Plaintiffs within 90 days of the Agreement.

18. In an effort to memorialize the parties' verbal agreement, the parties entered into a 90 Day Promissory Note and a Professional Services Agreement (hereinafter sometimes referred to as the "PSA") on or about May 25, 2015. True and correct photocopies of the Promissory Note and the PSA are attached hereto as "Exhibit 1" and "Exhibit 2" respectively.

19. Pursuant to the terms of the Promissory Note, Plaintiff Magna Service Agency was to remit the sum of $40,000 to Defendant Clear Lake Development Company, LLC, which amount was to be repaid within 90 days.

20. The Promissory Note is dated May 25, 2014 in error. The correct date is May 25, 2015.

21. The terms of the PSA provides that Defendant Kellington Protection Agency is to provide security services to Defendant Clear Lake Development Company, LLC for which KPS was to be paid the sum of $38,000 payable in three monthly payments at days 30, 60, and 90 from the beginning of the term of the PSA.

22. On May 27, 2015, Plaintiffs wired the sum of $40,000.00 into an account held in the name of Clear Lake Development Company, LLC for which Defendant, Timothy King is listed as the Manager.

23. Defendants have failed to repay any monies to Plaintiffs despite repeated promises to do so.

COUNT I – FRAUD
(All Parties)

24. Plaintiffs incorporate by reference herein the averments contain in Paragraphs 1 through 23 above.

25. Defendant King made the representations to Plaintiffs set forth in Paragraph 14 above.

26. At the time said representations were made, Defendant knew that the representations were false.

27. Defendant made said representations in an effort to mislead and deceive Plaintiffs and with the intention that Plaintiffs would rely on said assertions.

28. Plaintiffs relied upon Defendant's representations and did not know nor should they have known the falsity of those representations.

29. As a direct and proximate result of Defendant's fraudulent misrepresentations, Plaintiffs have sustained compensatory damages in the amount of $80,000 plus interest and costs together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enter judgment in their favor and against Defendants for compensatory damages in the amount of $80,000.00 plus interest and costs of suit together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

COUNT II - BREACH OF CONTRACT

(All Parties)

30. Plaintiffs incorporate by reference herein the averments contained in Paragraphs 1 through 29 above.

31. Plaintiffs and Defendants entered into an enforceable verbal contract pursuant to which Plaintiffs promised to loan to Defendants the sum of $40,000.00.

32. In exchange for Plaintiffs' $40,000.00 loan, Defendants promised to repay Plaintiffs the original $40,000.00 together with an additional $40,000.00 for a total of $80,000.00 within 90 days.

33. Plaintiffs have performed all of their obligations under the Agreement.

34. Plaintiffs have made numerous requests for the return of their monies.

35. Defendant has repeatedly informed Plaintiffs that they would be repaid in the near future but to date Plaintiffs have received no monies.

36. Defendant breached the contract by failing to return any monies to Plaintiffs within the 90 days.

37. As a direct and proximate result of Defendants' breach of contract, Plaintiffs have sustained compensatory damages in the amount of $80,000 plus interest and collections costs together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enter judgment in their favor and against Defendants for compensatory damages in the amount of $80,000.00 plus interest and costs of suit together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

COUNT III - BREACH OF CONTRACT

(*Magna Service Agency v. Clear Lake Development Company, LLC*)

38. Plaintiffs incorporate by reference herein the averments contained in Paragraphs 1 through 37 above.

39. In the alternative, Magna and Defendant CLD entered into a legally enforceable and binding Promissory Note.

40. The Agreement was in full force and effect at all times material to the instant Complaint.

41. Pursuant to the terms of the Promissory Note, Defendant promised to repay Plaintiffs the original $40,000.00 plus interest at the annual rate of 20%.

42. Pursuant to the terms of the Promissory Note, Defendant CLD agreed to pay for all collection costs including attorneys' fees.

43. On May 27, 2015, Plaintiffs wired the sum of $40,000.00 into an account held in the name of Clear Lake Development Company, LLC for which Defendant, Timothy King is listed as the Manager.

44. Plaintiffs have performed all of their obligations under the Agreement.

45. Plaintiffs have made numerous requests for the return of their monies.

46. Defendant has repeatedly informed Plaintiffs that they would be repaid in the near future but to date Plaintiffs have received no monies.

47. Defendant breached the contract by failing to return any monies to Plaintiffs within the 90 days.

48. As a direct and result of Defendant's breaches of contract, Plaintiffs have sustained compensatory damages in the amount of $40,000 plus interest at the annual rate of 20% and collections costs together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enter judgment in their favor and against Defendant for compensatory damages in the amount of $40,000.00, interest, attorneys' fees and costs of suit as provided in the 90 Day Promissory Note together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

COUNT IV - BREACH OF CONTRACT

(*Kellington Protection, LLC. v. Clear Lake Development Company, LLC*)

49. Plaintiff incorporates by reference herein the averments contained in Paragraphs 1 through 48 above.

50. In the alternative, KPS and Defendant CLD entered into a legally enforceable and binding PSA

51. The terms of the PSA provides that KPS was to be paid the sum of $38,000 payable in three monthly payments at days 30, 60, and 90 from the beginning of the term of the PSA.

52. KPS invoiced Defendant CLD in 3 equal invoices in the amount of $12,667.

53. Plaintiffs have performed all of their obligations under the PSA.

54. Plaintiffs have made numerous requests for the payment of the sums due under the PSA.

55. Defendant has repeatedly informed Plaintiff that they would be repaid in the near future but to date Plaintiff has received no monies

56. Defendant CLD breached the PSA by failing to pay the sum of $38,000.

57. As a direct and proximate result of Defendant's breach of contract, Plaintiff has sustained compensatory damages in the amount of $38,000 plus interest at the annual rate of 20% and collections costs together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiff.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter judgment in their favor and against Defendant for compensatory damages in the amount of $38,000.00 plus interest and costs together with exemplary and/or punitive damages as a direct result of Defendants outrageous misconduct and reckless disregard for the rights of Plaintiffs.

Respectfully Submitted,

/s/ Anthony E. Patterson
Anthony E. Patterson, Esquire
PA ID. No. 72881
304 Ross Street- Suite 505
Pittsburgh, PA 15219
(412) 281 - 2704